



C O N S U L T I N G

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REDACTED - FOR PUBLIC INSPECTION

Via ECFS

June 27, 2014

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 Twelfth Street S.W.  
Washington, D.C. 20554

**RE: FCC FORM 481 – CARRIER ANNUAL REPORTING DATA COLLECTION  
CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE  
ORDER IN WC DOCKET NOS. 10-90, 07-0135, 05-337, 03-109, CC DOCKET NOS. 01-  
92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL  
COMMUNICATIONS COMMISSION (FILED IN DOCKETS 14-58) AND  
CONFIDENTIAL FINANCIAL INFORMATION FILED PURSUANT TO SECTIONS  
.457 AND .459 OF THE FEDERAL COMMUNICATIONS COMMISSION RULES**

Dear Ms. Dortch,

Farmers Telephone Company (Farmers) hereby submits the attached redacted and confidential versions of its "FCC Form 481 – Carrier Annual Reporting Data Collection" financial information pursuant to sections §54.313 and §54.422 of the Commission's rules, as filed with the Universal Service Administrative Company.

Section 3005 of Form 481 requires the filing of financial information per 47 C.F.R. §54.313(f)(2). Farmers maintains that this information is "Confidential Financial Information" on the grounds that it is competitively sensitive information which could be used to disadvantage or harm Farmers, and is submitting this information pursuant to Protective Order, DA 12-1857 as described below. In addition, Farmers is requesting confidential treatment pursuant to sections 0.457 and 0.459 of the Commission's rules for the Five-Year Service Quality Improvement Plan that is required by section 54.313(a)(1) to be attached to this report. Similar to the financial information submitted under section 54.313(f)(2), the information contained in the Five-Year Service Quality Improvement Plan contains competitively sensitive information, including but not limited to projected build-out plans and capital expenditures, that is secure from public access that could be used by a competitor to disadvantage or harm Farmers.

First, Farmers is submitting the 54.313(f)(2) "Confidential Financial Information" as a "Stamped Confidential Document" with each page bearing the legend CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-0135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION and also submitting the .457 and .459 "Confidential Financial Information" as a "Stamped Confidential Document" with each page labeled "CONFIDENTIAL – NOT FOR PUBLIC INSPECTION". One copy of the "Stamped Confidential Document(s)" and accompanying cover letter are enclosed.

Second, Farmers is submitting the "Stamped Confidential Document(s)" as a "Redacted Confidential Document" where the "Confidential Financial Information" has been redacted. Two copies of the "Redacted Confidential Document(s)" and accompanying cover letter with each page labeled "REDACTED - FOR PUBLIC INSPECTION" are enclosed.

Finally, Farmers is submitting two copies of the "Stamped Confidential Document(s)" and accompanying cover letter to Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 Twelfth Street S.W., Room 5-A452, Washington, D.C. 20554.

Please contact me with any questions you have on this filing.

Sincerely,  
*/s/ Andy Schein*

Andy Schein  
Senior Consultant  
GVNW Consulting, Inc.  
(719) 594-5800  
[aschein@gvnw.com](mailto:aschein@gvnw.com)

Enclosures



FCC Form 481 - Carrier Annual Reporting Data Collection Form		FCC Form 481 OMB Control No. 3060-0086/OMB Control No. 3060-0619 July 2013
<b>&lt;010&gt;</b>	Study Area Code	462100
<b>&lt;015&gt;</b>	Study Area Name	FARMERS TEL CO - CO
<b>&lt;020&gt;</b>	Program Year	2015
<b>&lt;030&gt;</b>	Contact Name: Person USAC should contact with questions about this data	Katrina Baumgartner
<b>&lt;035&gt;</b>	Contact Telephone Number: Number of the person identified in data line <030>	9705622296 ext.
<b>&lt;039&gt;</b>	Contact Email Address: Email of the person identified in data line <030>	Katrina@fone.net

ANNUAL REPORTING FOR ALL CARRIERS		54.313 Completion Required	54.322 Completion Required
		(check box when complete)	
<b>&lt;100&gt;</b>	Service Quality Improvement Reporting <span style="float: right; font-size: x-small;">(complete attached worksheet)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;200&gt;</b>	Outage Reporting (voice) <span style="float: right; font-size: x-small;">(complete attached worksheet)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;210&gt;</b>	<div style="display: flex; align-items: center;"> <input checked="" type="checkbox"/> <span style="margin-left: 5px; font-size: x-small;">-- check box if no outages to report</span> </div>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;300&gt;</b>	Unfulfilled Service Requests (voice) <div style="border: 1px solid black; width: 150px; height: 20px; margin-top: 5px; text-align: center;">0</div>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;310&gt;</b>	Detail on Attempts (voice) <div style="border: 1px solid black; width: 250px; height: 40px; margin-top: 5px;"></div> <span style="float: right; font-size: x-small;">(attach descriptive document)</span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;320&gt;</b>	Unfulfilled Service Requests (broadband) <div style="border: 1px solid black; width: 150px; height: 20px; margin-top: 5px; text-align: center;">0</div>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;330&gt;</b>	Detail on Attempts (broadband) <div style="border: 1px solid black; width: 250px; height: 40px; margin-top: 5px;"></div> <span style="float: right; font-size: x-small;">(attach descriptive document)</span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;400&gt;</b>	Number of Complaints per 1,000 customers (voice)		
<b>&lt;410&gt;</b>	Fixed <div style="border: 1px solid black; width: 50px; height: 20px; text-align: center;">0.0</div>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;420&gt;</b>	Mobile <div style="border: 1px solid black; width: 50px; height: 20px; text-align: center;">0.0</div>		
<b>&lt;430&gt;</b>	Number of Complaints per 1,000 customers (broadband)		
<b>&lt;440&gt;</b>	Fixed <div style="border: 1px solid black; width: 50px; height: 20px; text-align: center;">0.0</div>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;450&gt;</b>	Mobile <div style="border: 1px solid black; width: 50px; height: 20px; text-align: center;">0.0</div>		
<b>&lt;500&gt;</b>	Service Quality Standards & Consumer Protection Rules Compliance <span style="float: right; font-size: x-small;">(check to indicate certification)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;510&gt;</b>	<div style="border: 1px solid black; width: 250px; height: 40px; margin-top: 5px;"></div> <span style="float: right; font-size: x-small;">(attach descriptive document)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;600&gt;</b>	Functionality in Emergency Situations <span style="float: right; font-size: x-small;">(check to indicate certification)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;610&gt;</b>	<div style="border: 1px solid black; width: 250px; height: 40px; margin-top: 5px;"></div> <span style="float: right; font-size: x-small;">(attach descriptive document)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;700&gt;</b>	Company Price Offerings (voice) <span style="float: right; font-size: x-small;">(complete attached worksheet)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;710&gt;</b>	Company Price Offerings (broadband) <span style="float: right; font-size: x-small;">(complete attached worksheet)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;800&gt;</b>	Operating Companies and Affiliates <span style="float: right; font-size: x-small;">(complete attached worksheet)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;900&gt;</b>	Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/> <span style="float: right; font-size: x-small;">(if yes, complete attached worksheet)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;1000&gt;</b>	Voice Services Rate Comparability <span style="float: right; font-size: x-small;">(check to indicate certification)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;1010&gt;</b>	<div style="border: 1px solid black; width: 250px; height: 40px; margin-top: 5px;"></div> <span style="float: right; font-size: x-small;">(attach descriptive document)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;1100&gt;</b>	Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/> <span style="float: right; font-size: x-small;">(if not, check to indicate certification)</span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;1110&gt;</b>	<span style="float: right; font-size: x-small;">(complete attached worksheet)</span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;1200&gt;</b>	Terms and Condition for Lifeline Customers <span style="float: right; font-size: x-small;">(complete attached worksheet)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet**

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<b>&lt;2000&gt;</b>	<span style="float: right; font-size: x-small;">(check to indicate certification)</span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;2005&gt;</b>	<span style="float: right; font-size: x-small;">(complete attached worksheet)</span>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet**

<b>&lt;3000&gt;</b>	<span style="float: right; font-size: x-small;">(check to indicate certification)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>&lt;3005&gt;</b>	<span style="float: right; font-size: x-small;">(complete attached worksheet)</span>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

<b>[100] Service Quality Improvement Reporting</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010>	Study Area Code	462188
<015>	Study Area Name	FARMERS TEL CO - CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Katrina Baumgartner
<035>	Contact Telephone Number - Number of person identified in data line <030>	9705622286 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	Katrina@fone.net
<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
<111>	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

- <112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

462188CD112.pdf

Name of Attached Document

Please check these boxes below to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
- <114> Report how much universal service (USF) support was received
- <115> How (USF) was used to improve service quality
- <116> How (USF) was used to improve service coverage
- <117> How (USF) was used to improve service capacity
- <118> Provide an explanation of network improvement targets not met in the prior calendar year.

✓
✓
✓
✓

<010>	Study Area Code	462188
<015>	Study Area Name	FARMERS TEL CO - CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Katrina Baumgartner
<035>	Contact Telephone Number - Number of person identified in data line <030>	9705622286 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	Katrina@fcone.net

[illegible]



[illegible]

(710) Broadband Price Offerings Data Collection Form FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013

Study Area Code 452188

<015>	Study Area Name	FARMERS TEL CO - CO
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<020>	Program Year	2015
-------	--------------	------

<030>	Contact Name - Person USAC should contact regarding this data	Katrina Baumgartner
-------	---	---------------------

<035> Contact Telephone Number - Number of person identified in data line <030> 9705622286 ext.

<039> Contact Email Address - Email Address of person identified in data line <030> Katrinas@one.net

[illegible]

<010>	Study Area Code	462188
<015>	Study Area Name	FARMERS TEL CO - CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Katrina Baumgartner
<035>	Contact Telephone Number - Number of person identified in data line <030>	9705622286 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	Katrina@fone.net
<810>	Reporting Carrier	Farmers Tel Co Inc - CO
<811>	Holding Company	Farmers Tel Co Inc - CO
<812>	Operating Company	Farmers Tel Co Inc - CO

<a1>	<a2>	<a3>
Affiliates	SAC	Doing Business As Company or Brand Designation



(900) Tribal Lands Reporting  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code 452188  
 <015> Study Area Name FARMERS TEL CO - CO  
 <020> Program Year 2015  
 <030> Contact Name - Person USAC should contact regarding this data Katrina Baumgartner  
 <035> Contact Telephone Number - Number of person identified in data line <030> 9705622286 ext.  
 <039> Contact Email Address - Email Address of person identified in data line <030> Katrina@fone.net

&lt;910&gt; Tribal Land(s) on which ETC Serves

--

&lt;920&gt; Tribal Government Engagement Obligation

--

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.  
 <922> Feasibility and sustainability planning;  
 <923> Marketing services in a culturally sensitive manner;  
 <924> Compliance with Rights of way processes  
 <925> Compliance with Land Use permitting requirements  
 <926> Compliance with Facilities Siting rules  
 <927> Compliance with Environmental Review processes  
 <928> Compliance with Cultural Preservation review processes  
 <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)

(1100) No Terrestrial Backhaul Reporting  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	462188
<015>	Study Area Name	FARMERS TEL CO - CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Katrina Baumgartner
<035>	Contact Telephone Number - Number of person identified in data line <030>	9705622286 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	Katrina@fone.net

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G)

☐

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G)

☐

(1200) Terms and Condition for Lifeline Customers		FCC Form 481
Lifeline		OMB Control No: 3060-0986/OMB Control No: 3060-0819
Data Collection Form		July 2013

<010>	Study Area Code	462188
<015>	Study Area Name	FARMERS TEL CO - CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Katrina Baumgartner
<035>	Contact Telephone Number - Number of person identified in data line <030>	9705622286 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	Katrina@fone.net

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

462188CO1210.pdf

Name of Attached Document

<1220> Link to Public Website

HTTP [www.Farmerstelecom.com](http://www.Farmerstelecom.com)

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒



(2000) Price Cap Carrier Additional Documentation	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers	July 2013

<010> Study Area Code	462198
<015> Study Area Name	FARMERS TEL CO - CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Katrina Baumgartner
<035> Contact Telephone Number - Number of person identified in data line <030>	9705622286 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	Katrina@fone.net

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting		
<2010>	2nd Year Certification {47 CFR § 54.313(b)(1)}	<input type="checkbox"/>
<2011>	3rd Year Certification {47 CFR § 54.313(b)(2)}	<input type="checkbox"/>
Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}		
<2012>	2013 Frozen Support Certification	<input type="checkbox"/>
<2013>	2014 Frozen Support Certification	<input type="checkbox"/>
<2014>	2015 Frozen Support Certification	<input type="checkbox"/>
<2015>	2016 and future Frozen Support Certification	<input type="checkbox"/>
Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}		
<2016>	Certification Support Used to Build Broadband	<input type="checkbox"/>
Connect America Phase II Reporting {47 CFR § 54.313(e)}		
<2017>	3rd year Broadband Service Certification	<input type="checkbox"/>
<2018>	5th year Broadband Service Certification	<input type="checkbox"/>
<2019>	Interim Progress Certification	<input type="checkbox"/>
<2020>	Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	<input type="checkbox"/>
<2021>	Interim Progress Community Anchor Institutions	<div style="border: 1px solid black; width: 200px; height: 80px; margin: 0 auto;"></div>

Name of Attached Document Listing Required Information

(3000) Rate Of Return Carrier Additional Documentation

FCC Form 481

Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2012

<010> Study Area Code 462188  
 <015> Study Area Name FARMERS TEL CO - CO  
 <020> Program Year 2015  
 <030> Contact Name - Person USAC should contact regarding this data Katrina Baumgartner  
 <035> Contact Telephone Number - Number of person identified in data line <030> 8705622286 ext.  
 <039> Contact Email Address - Email Address of person identified in data line <030> Katrina@fona.net

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

[3010] Progress Report on 5 Year Plan  
 Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

[3011] Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. ☐

[3012] Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

Name of Attached Document Listing Required Information

[3013] Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))

[3014] If yes, does your company file the RUS annual report

(Yes/No)

(Yes/No)

☒ ☐

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

[3015] Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

☒

[3016] Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☒

[3017] If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

Name of Attached Document Listing Required Information

[3018] If the response is no on line 3014, is your company audited?

(Yes/No)

☐ ☐

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

[3019] Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications

☐

[3020] Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☐

[3021] Management letter issued by the independent certified public accountant that performed the company's financial audit.

☐

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

[3022] Copy of their financial statement which has been subject to review by an independent certified public accountant; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,

☐

[3023] Underlying information subjected to a review by an independent certified public accountant

☐

[3024] Underlying information subjected to an officer certification.

☐

[3025] Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

[3026] Attach the worksheet listing required information

Name of Attached Document Listing Required Information



[USAC Home](#) | [High Cost Program](#) | [Search Tools](#) | [Form 481](#)

## CONFIRMATION

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**Congratulations. Your filing has been successfully certified.**

Filing 2 was successfully certified on Thu Jun 14 03:41:22 PM EDT by dpace@ftele.net.

SAC : 462188

SPIN : 143002490

Carrier Name : FARMERS TEL CO - CO

Program Year : 2015

[Return to 481 Search](#)

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[Website & Privacy Policies](#)



Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	462188
<015> Study Area Name	FARMERS TEL CO - CO
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Katrina Baumgartner
<035> Contact Telephone Number - Number of person identified in data line <030>	9708622286 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	Katrina@fone.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	FARMERS TEL CO - CO
Signature of Authorized Officer:	CERTIFIED ONLINE Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	9708624211 ext.
Study Area Code of Reporting Carrier:	462188 Filing Due Date for this form: 07/01/2014
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

## Attachments

<p>(700) Price Offerings including Voice Rate Data Data Collection Form</p>	<p>FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013</p>
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OMB Control No. 3060-0986/OMB Control No. 3060-0819

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<010>	Study Area Code	462188
<015>	Study Area Name	FARMERS TEL CO - CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Katrina Baumgartner
<035>	Contact Telephone Number - Number of person identified in data line <030>	9705622296 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	Katrina@fcoe.net

<701>	Residential Local Service Charge Effective Date	1/1/2014
<702>	Single State-wide Residential Local Service Charge	

&lt;703&gt;

[illegible]



### Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

Study Area Code 462188

<015> Study Area Name FARMERS TEL CO - CO

2015 Program Year

<030>	Contact Name - Person USAC should contact regarding this data	Katrina Baumgartner
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<035>	Contact Telephone Number - Number of person identified in data line <030>	9705622286 ext.
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<039>	Contact Email Address - Email Address of person identified in data line <030>	Katrina@fone.net
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(U) (S) (C) (b1) (b2) (D) (C) (D) (C)

[illegible]

(800) Operating Companies Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	462188
<015>	Study Area Name	FARMERS TEL CO - CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Katrina Baumgartner
<035>	Contact Telephone Number - Number of person identified in data line <030>	970522286 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	Katrina@fone.net

<810>	Reporting Carrier	Farmers Tel Co Inc - CO
<811>	Holding Company	Farmers Tel Co Inc - CO
<812>	Operating Company	Farmers Tel Co Inc - CO

<B13>	<a1>	<a2>	<a3>
	Affiliates	SAC	Doing Business As Company or Brand Designation

FARMERS TELECOMMUNICATIONS, INC.		
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462188CO112

## Farmers Telephone Company

### FIVE YEAR SERVICE QUALITY IMPROVEMENT PLAN

#### PREAMBLE

Farmers Telephone Company ("Farmers") has carefully developed its improvement plan, concentrating on the delivery and continuation of a robust network which provides, at a minimum, the federally required voice and broadband connectivity as stipulated by regulatory rule.

Farmers advises that this improvement plan has been carefully crafted, matching measured network deployment, improvement and quality service levels with known financial implications of the FCC's USF/ICC Transformation Order upon the Company's support cash-flows. The uncertainty of such cash flows being received in later years as a result of current and potential regulatory action on rural rate-of-return carriers has resulted in the Company taking a balanced, yet realistic, approach.

The environment in which the Company operates remains dynamic, not static. As a result, Farmers reserves the opportunity to modify its plan in response to changing market demands as well as future regulatory decisions, and their impacts upon the Company's financial viability in providing quality services.

Farmers will re-evaluate this plan on an annual basis. Action, however, may also be taken abruptly on the presented plan for both current and later years in the event of evolving regulatory conditions and/or changes in technology (vendor)-driven support. All adjustments to the improvement plan in this document will be reflected and explained in subsequent annual reports.

#### OVERVIEW





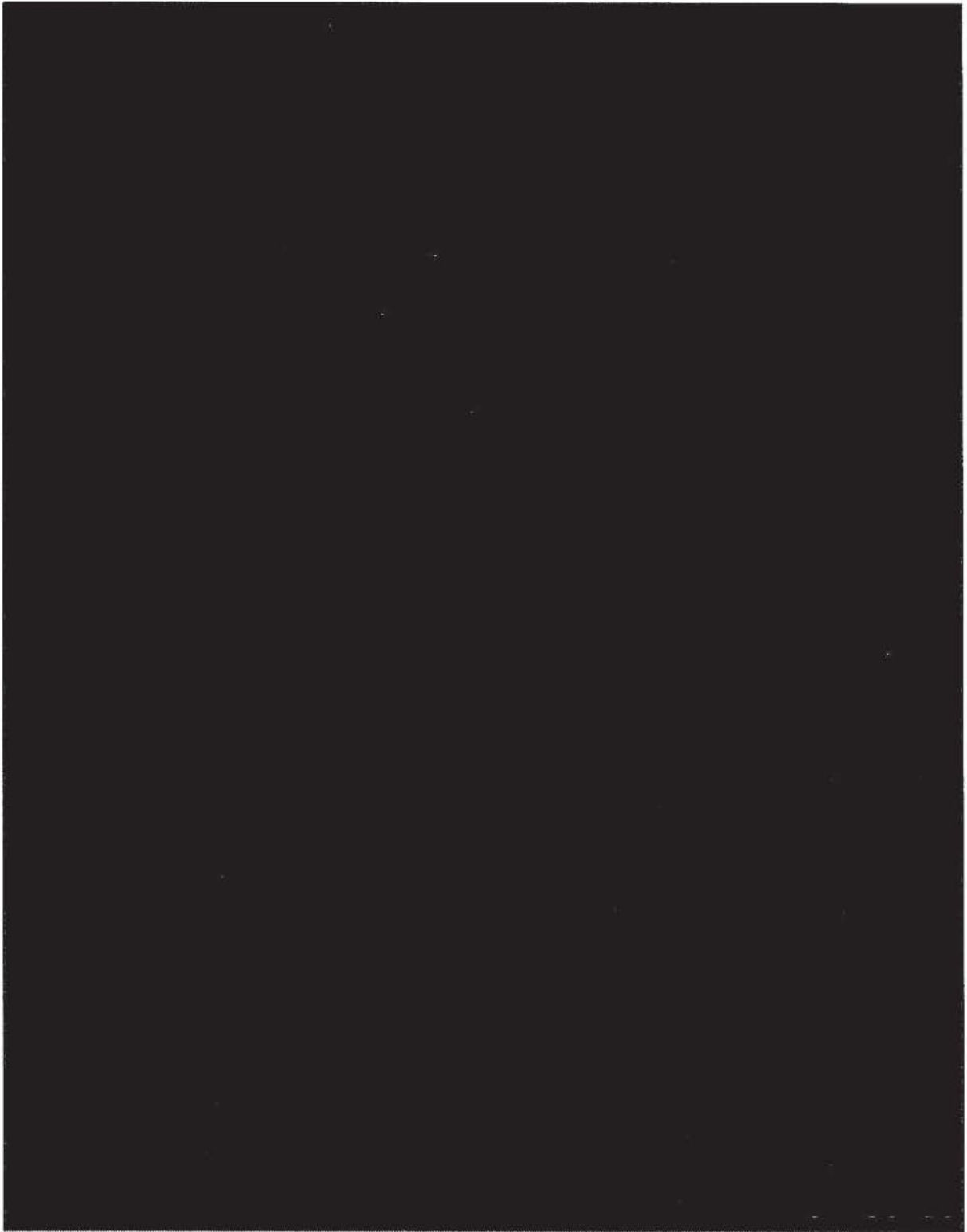
462188CO112

## Farmers Telephone Company



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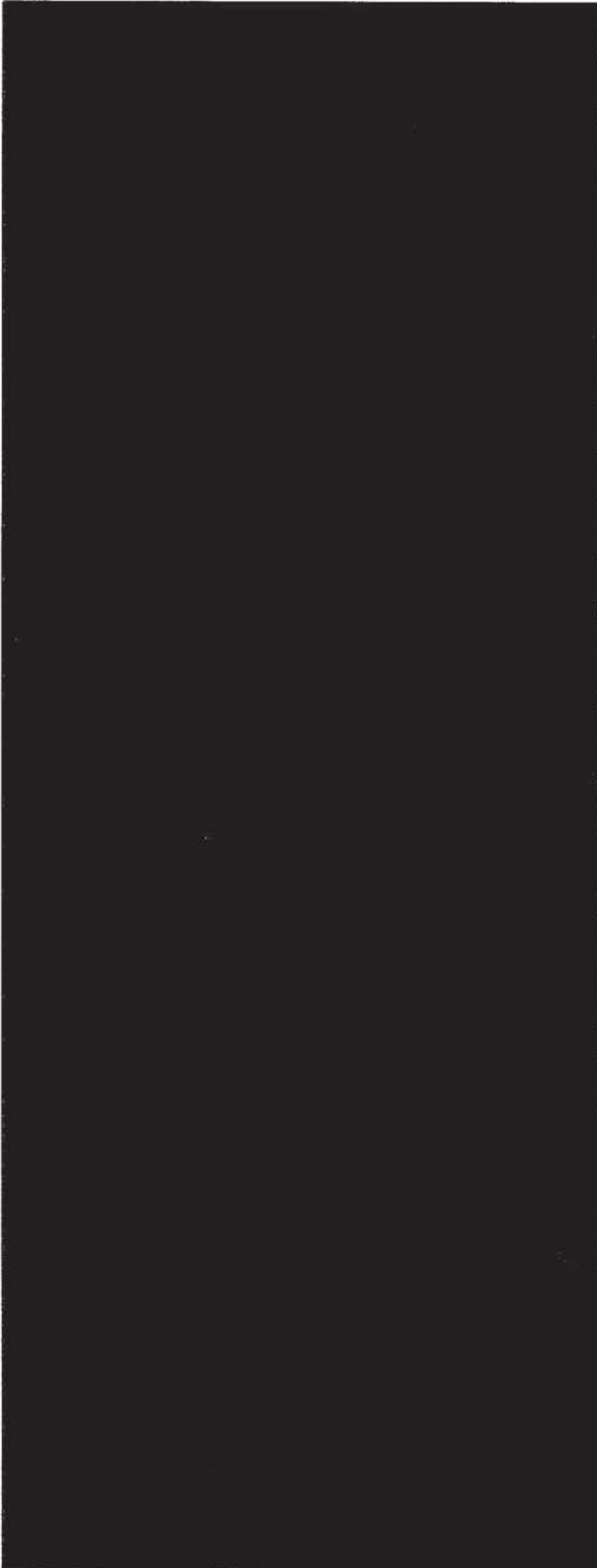
## Farmers Telephone Company



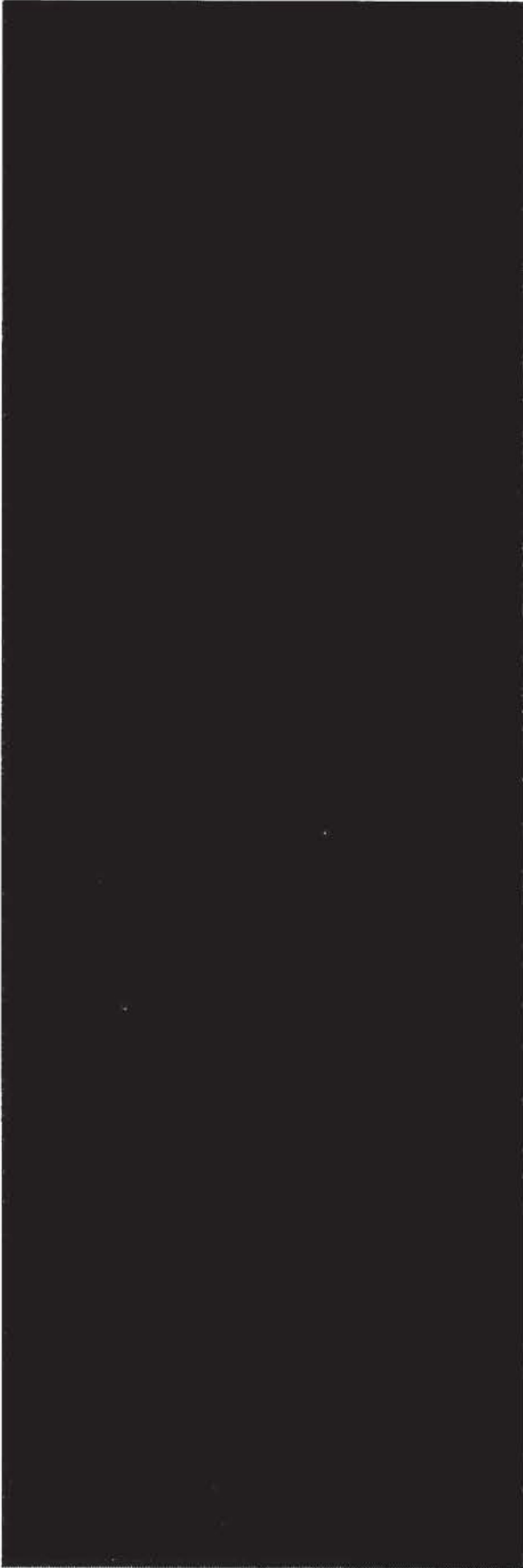
462188CO112

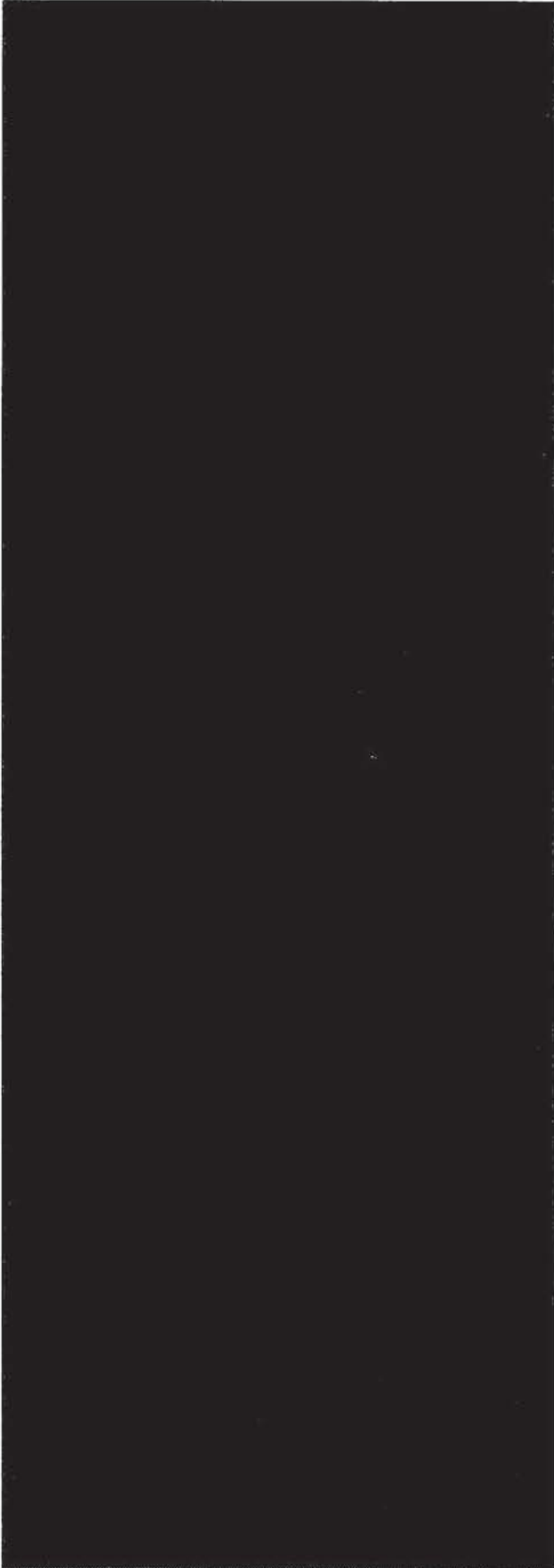
## Farmers Telephone Company

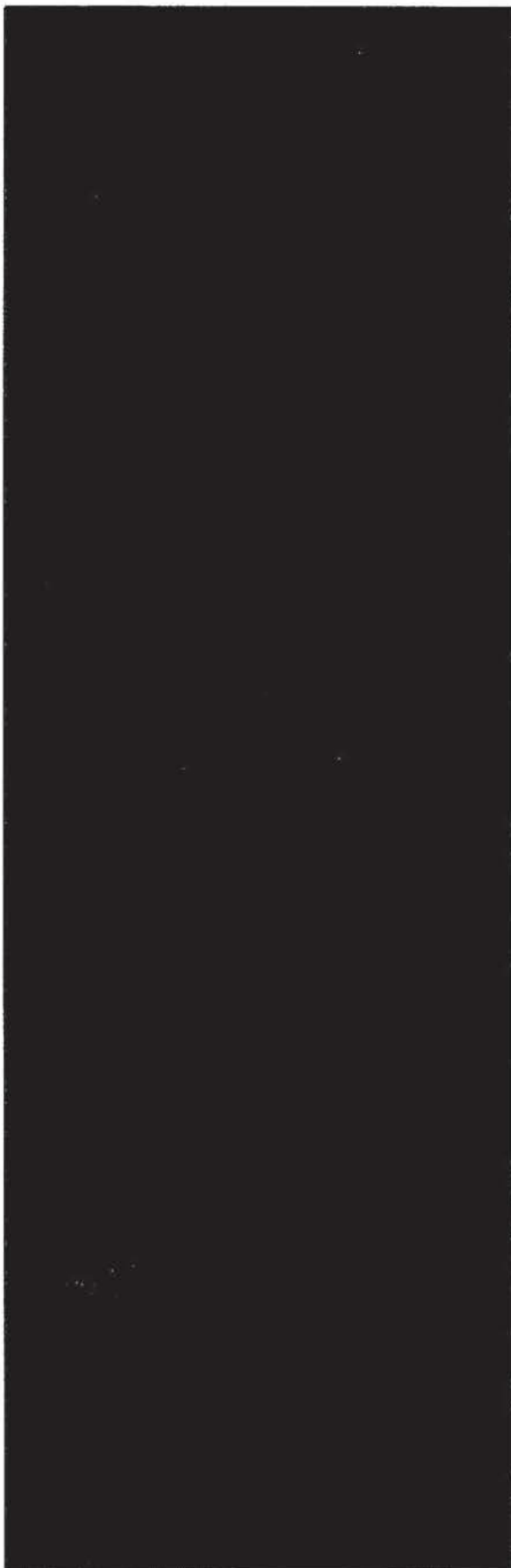


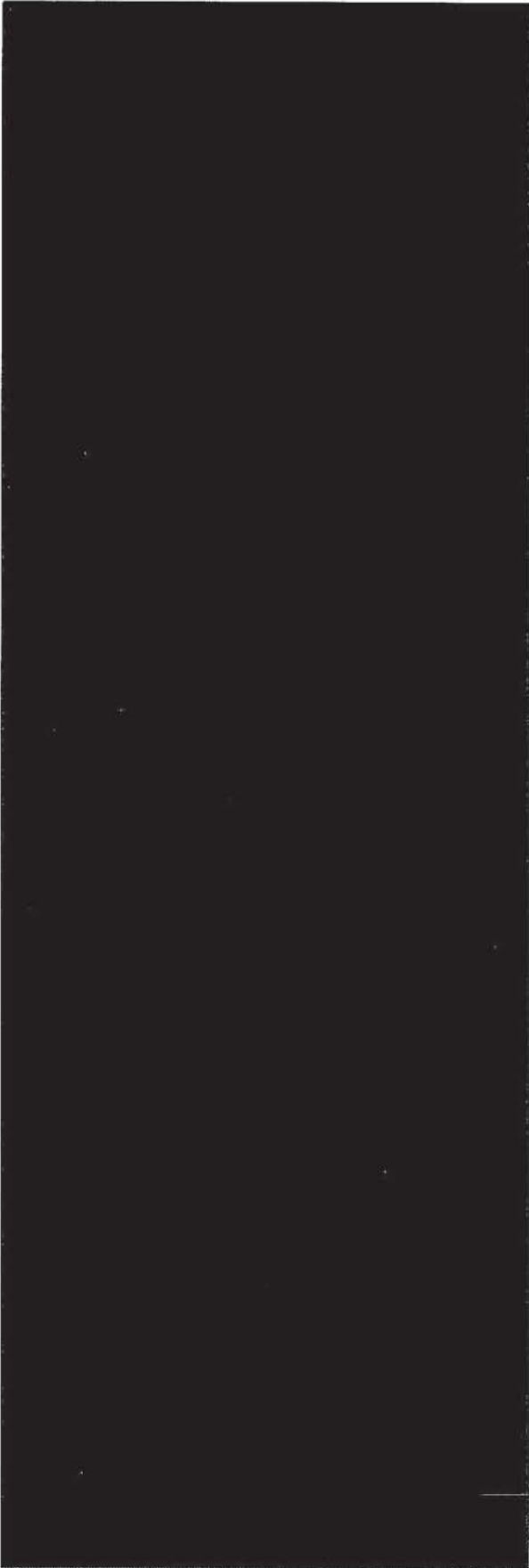














## **Service Quality Standards & Consumer Protection Rules Compliance:**

### **Consumer Protection**

#### Voice and Broadband

Farmers Telephone complies with the requirements of 47CFR Part 64 Subpart U, Customer Proprietary Network Information and the Federal Trade Commission Red Flag Rules to prevent identity threat. A manual for each of those programs is in place and is part of the employees' handbook. Employee training is conducted annually and new hires are instructed on the programs as required by their job functions.

### **Service Quality Standards**

#### Voice

Farmers Telephone complies with the service standards as required by the state regulatory commission Farmers Telephone is committed to providing the highest quality service to its customers.

#### Broadband

Farmers Telephone complies with the service standards as established by state regulatory commission Farmers Telephone follows the service standards noted in NECA Tariff #5 and is committed to provide the highest quality service to its broadband customers.

## **Description of Functionality In Emergency Situations**

### Back-up Power for Both Voice and Broadband Services

Farmers Telephone prides itself on updating and maintaining all its plant and equipment to prevent outages before they happen. If outages do happen, the Company has 24-hour on call staff and alarm reporting systems in place that send notifications to the 24 hour personnel monitoring these systems. The Company certifies that it follows best practices that are designed to allow them to remain functional in an emergency situation through the use of back-up power to ensure functionality in the event of a limited commercial power failure.

Farmers Telephone utilizes battery back-up systems and standby generators in its central office and remote hut. This enables Farmers to maintain power during an outage of at least 48 hours with battery back-up and several days with propane gas. Farmers also uses its 6800 watt portable gas powered generator to support the remote cabinets in the network in the event of an extended power outage.

The Company performs exercises to test disaster preparedness on each site's back-up power systems weekly. Major transport facilities are also tested periodically to ensure failover reliability.

### Ability to reroute traffic/data around damaged facilities

Farmers' affiliate, Farmers Telecommunications, Inc., turned up a redundant 10 GIG Ethernet (20 GIG total) route between Pleasant View and Cortez. This provides the ability for Farmers to reroute traffic around damaged facilities. Century Link has a Point of Presence in the Farmers Cortez office, which provides additional facilities for use during emergency situations due to damaged facilities.

### Capability to manage traffic/data spikes resulting from emergency situations

Farmers' trunk routes are monitored by Central Office equipment for usage utilization and management. Farmers takes no responsibility for the capabilities of interconnected networks to manage traffic spikes resulting from emergency situations, but will continue its best efforts for its networks during such events.

462188CO1010

## Voice Services Rate Comparability

As evidenced by the data provided in line 700 of this Form 481, Farmers' voice service pricing is no more than 2 standard deviations above the national average urban rate (\$46.96) as announced by the Wireline Competition Bureau on March 20, 2014 (DA 14-384)

FARMERS TELEPHONE COMPANY, INC.Name of Utility  
State of ColoradoCOLO PUC NO. 47th Revised Sheet No. 64Cancels 6th Revised Sheet No. 64

## Rules, Regulations or Extension Policy

4. Low-Income Telephone Assistance Program4.1 Low-Income Telephone Assistance Program

The Low-Income Telephone Assistance Program provides for a discount of the recurring monthly rate for the provision of local residential service for certain low-income customers.

The Low-Income Telephone Assistance Program discount is only available to low-income customers who meet eligibility requirements established by the Federal Communications Commission.

The Federal Communications Commission national eligibility criteria include subscribers with a household income of 135 percent of the federal poverty level or participation in one of the following programs: Supplemental Nutrition Assistance Program, Medicaid, Temporary Aid to Needy Families, Supplemental Security Income, Low Income Home Energy Assistance Program, National Free Lunch or Federal Public Housing Assistance.

The monthly discount to eligible subscribers will be \$9.25 for residential service.

The Low-Income Telephone Assistance Program discount will begin with the date the company receives a valid application from the customer or when new service is established for a qualifying customer subject to the eligibility requirements set forth above. The discount will be prorated on the basis of a 30-day month from the effective date of the customer's application.

The Service Charges to change to or from this program due to eligibility status will be waived.

The discount is applicable only to the customer's principal residence line.

A low-income customer may not be disconnected from local service solely for non-payment of toll charges, but the low-income customer must continue to pay the local service rates and charges.

Advice Letter No. 85

Decision or

Authority No. C13-0357, C13-0395

Effective Date May 1, 2013



FARMERS TELEPHONE COMPANY, INC.

Name of Utility

State of Colorado

COLO PUC NO.

4

3rd Revised Sheet No.

65

Cancels 2nd Revised Sheet No.

65

Rules, Regulations or Extension Policy

4. Low-Income Telephone Assistance Program (Cont'd)

4.1 Low-Income Telephone Assistance Program (Cont'd)

(C)

Toll blocking, as described elsewhere in this tariff, is available at no charge to a qualifying low-income customer. Toll blocking becomes a part of a low-income customer's service, when subscribed.

Toll control, as described elsewhere in this tariff, is available at no charge to a qualifying low-income customer. Toll control becomes a part of a low-income customer's service, when subscribed.

Toll limitation, which denotes both toll blocking and toll control, is available to a qualifying low-income customer.

If a qualifying low-income customer voluntarily elects toll blocking service from the Company, where that service is available, the customer will not be required to pay a deposit, if otherwise applicable, to initiate service. If a qualifying low-income customer does not voluntarily elect toll blocking service, the Company will waive the deposit requirement for the customer unless the customer has a history of late payments to the Company. A history of late payment means failure to make payment by the due date three times in any twelve-month period.

The Company will file information with the Lifeline Administrator demonstrating that the Lifeline plan meets the criteria set forth in Title 47, C.F.R., Subpart E of Part 54, and stating the number of low-income consumers and the amount of state assistance, pursuant to Section 54.401(d) of those rules.

4.2 Rates

Rates for qualifying low-income ("Lifeline") customers are specified in Section 20.4(A) following.

Advice Letter No. 85

Decision or

Authority No. C13-0357, C13-0395

Effective Date May 1, 2013

462188C03017

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0931. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		<small>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and subject to federal laws and regulations regarding confidential information, will be treated as confidential.</small> <b>BORROWER NAME</b> The Farmers Telephone Company, Inc. (Prepared with Audited Data)	
<small>INSTRUCTIONS-Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.</small>		<b>PERIOD ENDING</b> December, 2013	<b>BORROWER DESIGNATION</b> CO0530
<b>CERTIFICATION</b> We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. <b>ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.</b> <b>DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7 CFR CHAPTER XVII</b> (Check one of the following)			
<input type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.		<input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report	
<b>DATE</b>			

PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. LT Debt		
c. Notes Receivable			30. Current Mat. LT Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 thru 9)			39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on LT Debt		
a. Rural Development			42. Reacquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstanding & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

Total Equity = 56.11% of Total Assets

See Accountant's Compilation Report




USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		BORROWER DESIGNATION  CO0530	
INSTRUCTIONS- See RUS Bulletin 1744-2		PERIOD ENDING  December, 2013	
<b>PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS</b>			
ITEM		PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues			
2. Network Access Services Revenues			
3. Long Distance Network Services Revenues			
4. Carrier Billing and Collection Revenues			
5. Miscellaneous Revenues			
6. Uncollectible Revenues			
7. Net Operating Revenues (1 thru 6 less 6)			
8. Plant Specific Operations Expense			
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)			
10. Depreciation Expense			
11. Amortization Expense			
12. Customer Operations Expense			
13. Corporate Operations Expense			
14. Total Operating Expenses (8 thru 13)			
15. Operating Income or Margins (7 less 14)			
16. Other Operating Income and Expenses			
17. State and Local Taxes			
18. Federal Income Taxes			
19. Other Taxes			
20. Total Operating Taxes (17+18+19)			
21. Net Operating Income or Margins (15+16-20)			
22. Interest on Funded Debt			
23. Interest Expense*- Capital Leases			
24. Other Interest Expense			
25. Allowance for Funds Used During Construction			
26. Total Fixed Charges (22+23+24-25)			
27. Nonoperating Net Income			
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income			
31. Total Net Income or Margins (21+27+28+29+30-26)			
32. Total Taxes Based on Income			
33. Retained Earnings or Margins Beginning-of-Year			
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)			
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date			
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]			
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)			
44. Annual Debt Service Payments			
45. Cash Ratio [(14+20-10-11) / 7]			
46. Operating Accrual Ratio [(14+20+26) / 7]			
47. TIER [(31+26) / 20]			
48. DSCR [(31+26+10+11) / 44]			

<p>USDA-RUS</p> <p><b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b></p> <p>INSTRUCTIONS • See RUS Bulletin 1744-2</p>		<p>BORROWER DESIGNATION 000630</p> <p>PERIOD ENDED December, 2013</p>
<p><b>Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, &amp; HIGH SPEED DATA INFORMATION</b></p>		
	<b>1. RATES</b>	<b>2. SUBSCRIBERS (ACCESS LINES)</b>
<b>3. ROUTE MILES</b>		
EXCHANGE		
Pleasant View		
MobileWireless		
Route Mileage Outside Exchange Area		
Total		
No. Exchanges		

See Accountant's Compilation Report



USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>  INSTRUCTIONS - See RUS Bulletin 1744-2		BORROWER DESIGNATION 000530  PERIOD ENDED December, 2013
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION		
4. BROADBAND SERVICE		
Details on Least Expensive Broadband Service		
EXCHANGE		
Pleasant View		
Total		

See Accountant's Compilation Report

<b>USDA-RUS</b> <b>OPERATING REPORT FOR</b> <b>TELECOMMUNICATIONS BORROWERS</b>		<b>BORROWER DESIGNATION</b> CO0530			
<b>INSTRUCTIONS- See RUS Bulletin 1744-2</b>		<b>PERIOD ENDING</b> December, 2013			
<b>PART D. SYSTEM DATA</b>					
1. No. Plant Employees	2. No. Other Employees	3. Source Miles Served	4. Access Lines per Source Miles		
<b>PART E. TOLL DATA</b>					
1. Study Area ID Code(s) a. 462188 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____	2. Types of Toll Settlements (Check one) Interstate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis Intrastate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis				
<b>PART F. FUNDS INVESTED IN PLANT DURING YEAR</b>					
1. RUS, RTB, & FFB Loan Funds Expended					
2. Other Long-Term Loan Funds Expended					
3. Funds Expended Under RUS Interim Approval					
4. Other Short-Term Loan Funds Expended					
5. General Funds Expended (Other than Interim)					
6. Salvaged Materials					
7. Contribution in Aid to Construction					
8. Gross Additions to Telecom. Plant (1 thru 7)					
<b>PART G. INVESTMENTS IN AFFILIATED COMPANIES</b>					
INVESTMENTS  (a)	<b>CURRENT YEAR DATA</b>		<b>CUMULATIVE DATA</b>		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
	(b)	(c)	(d)	(e)	(f)
1. Investment in Affiliated Companies - Rural Development					
2. Investment in Affiliated Companies - Nonrural Development					

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR</b> <b>TELECOMMUNICATIONS BORROWERS</b>	<b>BORROWER DESIGNATION</b> C00530  <b>PERIOD ENDING</b> December, 2013
<b>PART H. CURRENT DEPRECIATION RATES</b>	
Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)	
<input checked="checked" type="checkbox"/> YES <input type="checkbox"/> NO	
<b>EQUIPMENT CATEGORY</b>	<b>DEPRECIATION RATE</b>
1. Land and support assets - Motor Vehicles	
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	
5. Land and support assets - Buildings	
6. Land and support assets - Furniture and Office equipment	
7. Land and support assets - General purpose computers	
8. Central Office Switching - Digital	
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	
19. Cable and wire facilities - Aerial cable - Metal	
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	
24. Cable and wire facilities - Buried cable - Fiber	
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	



USDA-RUS		BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		C00530
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2013
PART I - STATEMENT OF CASH FLOWS		
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		
CASH FLOWS FROM OPERATING ACTIVITIES		
2. Net Income		
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
3. Add: Depreciation		
4. Add: Amortization		
5. Other (Explain) Interest receivable		
Changes in Operating Assets and Liabilities		
6. Decrease/(Increase) in Accounts Receivable		
7. Decrease/(Increase) in Materials and Inventory		
8. Decrease/(Increase) in Prepayments and Deferred Charges		
9. Decrease/(Increase) in Other Current Assets		
10. Increase/(Decrease) in Accounts Payable		
11. Increase/(Decrease) in Advance Billings & Payments		
12. Increase/(Decrease) in Other Current Liabilities		
13. Net Cash Provided/(Used) by Operations		
CASH FLOWS FROM FINANCING ACTIVITIES		
14. Decrease/(Increase) in Notes Receivable		
15. Increase/(Decrease) in Notes Payable		
16. Increase/(Decrease) in Customer Deposits		
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		
20. Less: Payment of Dividends		
21. Less: Patronage Capital Credits Refund		
22. Other (Explain)		
23. Net Cash Provided/(Used) by Financing Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
24. Net Capital Expenditures (Property, Plant & Equipment)		
25. Other Long-Term Investments		
26. Other Noncurrent Assets & Jurisdictional Differences		
27. Other (Explain) retirements		
28. Net Cash Provided/(Used) by Investing Activities		
29. Net Increase/(Decrease) in Cash		
30. Ending Cash		

Revision Date 2010

See Accountant's Compilation Report

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION CO0530
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	
Independent Accountant's Compilation Report	
To The Board of Directors	
Farmers Telephone Company, Inc.	
Pleasant View, CO 81331	
<p>We have compiled the balance sheets of Farmers Telephone Company, Inc., (a Colorado corporation) as of December 31, 2013 and 2012, and the statements of income or margins and retained earnings or margins for the years ended December 31, 2013 and 2012, and cash flows for the year ended December 31, 2013, included in the accompanying prescribed form. We have also compiled the supplementary information in Parts F, G and H of the accompanying prescribed form. We have not audited or reviewed the accompanying financial statements and the supplementary information in Parts F, G and H and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and the supplementary information in Parts F, G and H is in accordance with the form prescribed by the Rural Development Utilities Program.</p>	
<p>Management is responsible for the preparation and fair presentation of the financial statements and the supplementary information in Parts F, G and H in accordance with requirements prescribed by the Rural Development Utilities Program and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and the supplementary information in Parts F, G and H.</p>	

See Accountant's Compilation Report



USDA-RUS  OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION  CO0530
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	
Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and the supplementary information in Parts F, G and H.	
These financial statements and the supplementary information in Parts F, G and H are presented in accordance with the requirements of the Rural Development Utilities Program, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Rural Development Utilities Program, Federal Communications Commission, Universal Service Administrative Company and the Colorado Public Utilities Commission and is not intended to be and should not be used by anyone other than this specified party.	
The supplementary information contained in Parts C, D and E of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.	
Kiesling Associates LLP	
Colorado Springs, CO	
March 28, 2014	

See Accountant's Compilation Report

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION CO0530
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	

See Accountant's Compilation Report



## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To The Board of Directors  
Farmers Telephone Company, Inc.  
Pleasant View, CO 81331

We have compiled the balance sheets of Farmers Telephone Company, Inc., (a Colorado corporation) as of December 31, 2013 and 2012, and the statements of income or margins and retained earnings or margins for the years ended December 31, 2013 and 2012, and cash flows for the year ended December 31, 2013, included in the accompanying prescribed form. We have also compiled the supplementary information in Parts F, G and H of the accompanying prescribed form. We have not audited or reviewed the accompanying financial statements and the supplementary information in Parts F, G and H and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and the supplementary information in Parts F, G and H is in accordance with the form prescribed by the Rural Development Utilities Program.

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary information in Parts F, G and H in accordance with requirements prescribed by the Rural Development Utilities Program and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and the supplementary information in Parts F, G and H.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and the supplementary information in Parts F, G and H.

These financial statements and the supplementary information in Parts F, G and H are presented in accordance with the requirements of the Rural Development Utilities Program, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Rural Development Utilities Program, Federal Communications Commission, Universal Service Administrative Company and the Colorado Public Utilities Commission and is not intended to be and should not be used by anyone other than this specified party.

The supplementary information contained in Parts C, D and E of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

A handwritten signature in cursive script that reads 'Kimberly Smith, CPA'.

Colorado Springs, CO  
March 28, 2014